

Expert Opinion

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Self-Service: Is it Heaven or Hell?

Providing superior customer service through all channels will be a defining characteristic of companies poised to thrive in the economic recovery. Self-service, whether online or through interactive voice response systems (IVR), is a major component of a company's service offerings – and a challenge for most.

Pundits view pushing customers to self-service as the cheapest way to service customer needs without regard for the customer experience. Others believe that customers actually prefer to self-serve, as a more efficient way to complete their interactions and therefore a driver of increased satisfaction. In reality, it can be both cost-efficient and deliver an excellent customer experience. The secret lies in companies knowing and understanding their customers' needs and wants.

In a recent survey of more than 1,000 consumers, ClickFox asked their preference for interacting with their bank, wireless and cable service providers, and utility and insurance companies for various tasks. The two industries that most consumers preferred using self-service channels for were banks and wireless providers. Self-service was preferred most in simple actions like paying bills, as well as checking and updating account status; 85 percent of customers prefer the Web channel across all industries.

Not surprisingly, customers prefer visiting retail branches or speaking to live service representatives for more complex transactions like reporting utility outages, submitting insurance claims, and requesting technical assistance.

The big "ah-hah moment" from the survey: The data shows that consumers like and actively seek self-service options.

The percentage of customers who prefer self-service when dealing with:

- Banks – 75%
- Cable/wireless – 66%
- Insurance – 59%
- Utility providers – 57%

The critical first step in any self-service initiative is to understand customers' needs and most frequent interactions, and articulate the organization's strategic goals.

Take a deep breath, think holistically about the business and ask: Is a self-service experience the best option? How will it earn customer loyalty? Can it encourage the addition of new products and services to their account? If the answer is yes, then the company has balanced the goals of both stakeholder groups correctly.

The Fine Art of Self-Service

Today many organizations have implemented self-service options and increased customer satisfaction rankings in parallel. It's starting to sound a little like heaven.

But it's important to remember the horror stories of consumers getting trapped in ineffective, broken online or IVR experiences that are unable to support their needs. These experiences are the catalyst of the YouTube videos, tweets, blogs, and Facebook entries that can cause significant brand and corporate damage.

Today's consumer experience interactions are understandably more complex. Companies need to consider a range of preferences between age groups and socioeconomic backgrounds, and how each segment will respond to different channels and technologies. Making self-service decisions based on just analyzing the Web or IVR interactions alone does not give a comprehensive picture of how the consumer sees the organization. The consumer sees every interaction they make as a defining experience with that organization, not a series of individual transactions within a defined channel.

Case Study: Sink or Swim

A North American wireless carrier knew that device activations should be easy on the Web or IVR, without needing to go to the retail store or the care center. Yet the customer satisfaction ranking for these activities were dropping dramatically and the company experienced a high-level of customer churn.

The simple activation process was going in the wrong direction. The company decided to analyze the entire customer experience from retail store, through the website, IVR, agent Tier 1, transfers to Tier 2, and any customer survey data available to cross-reference this against customer segmentation data indicating plan type, device type, and tenure. They quickly discovered that the breakdown in self-service success, on both the Web and IVR, was rooted in new customers with a particular new device.

Further analysis showed that the root cause was a lack of consistent go-to-market information and preparedness across the entire organization. The breakdown was not in the mechanics of implementing self-service, rather it was in aligning the self-service experience with the consumer, the transaction, and the business. By making the correct changes at the retail store, online, in the IVR, and in the agent knowledgebase, this organization saw an 8 percent increase in containment in Web and IVR self-service and an associated 10 percent increase in CSAT.

5 Golden Rules

Self-service heaven is easily achieved by adhering to five golden rules:

- Analyze the entire consumer experience across all channels
- Understand that channel performance metrics are often misleading and not indicative of self-service success
- Upstream and downstream channel interactions may tell us more about the root cause of self-service failure than the Web or IVR itself
- Marrying customer behavior analytics with customer segmentation data gives a rich multidimensional view that enables organizations to truly make customer-centric decisions
- Siloed analytics leads to isolated decisions, a less-than-optimum customer experience at a broad level, and broken self service experiences for both the customer and the organization.

Need more proof? According to ClickFox research, best-in-class companies (as named by J.D. Power and Associates) have self-service success rates that are 20 percent higher, on average, than industry laggards.

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